

Incumbent Worker Training Pilot Program		Agency/Program #: 6602-01-11
		Division: Workforce Services
		Program:
Agency Name:	Department of Labor and Industry	
Agency Contact:	Tammy LaVigne	444-3697
LFC Contact:	Representative Sesso, Representative Taylor	
LFD Liaison:	Kris Wilkinson	444-2722
OBPP Liaison:	Shawn Graham	444-0054

Program or Project Description:

The legislature added \$500,000 state special revenue authority from the employment security account to implement a pilot program for incumbent worker training. The program is intended to provide training for skills necessary for specific economic opportunities and industrial expansion initiatives, and to provide training to upgrade the skills of currently employed workers at risk of being permanently laid off.

Appropriation, Expenditure and Source					
Fund Name:	2008		2009		Approp & Expenditure numbers are as of August 29, 2008
	Approp.	Expended	Approp.	Expended	
General Fund					
State Special	250,000	235,137	250,000	13,757	
Federal Funds					
Total:	\$250,000	\$235,137	\$250,000	\$13,757	

Legislative Goal(s):

Develop and maintain a high quality workforce system for Montana that supports and enhances the economic health of the existing business community and provides a career enhancement to the existing workforce.

Legislative Performance Measures :

- Wage gain of employee(s)
- Employment and retention of employee(s)
- Success of the business

		Completion Dates	
2009 Biennium Significant Milestones:		Target	Actual
1	Implement pilot programs in Montana cities.		
2	Establish Advisory Committee		
3	Review BEAR (Business Expansion and Retention Program) data collection.		
4			
5			

Agency Performance Report:

The wage gain of employees and employment retention are performance factors gathered through UI wage records and follow-up communications with businesses. UI wage data availability lags between 6 and 9 months. For example, UI wage data for employees trained in September and October will not typically be available until April, May or June. At this time, only 2 quarters of UI wage data is available. While it is difficult to track wage gains in only six months time, with limited UI wage data available, 258 of the 351 employees trained through the program have seen an average wage gain of \$232 through the initial six month period.

The pilot project has currently provided training to 351 workers. Those workers are employed by 116 businesses. Expenditures for the pilot project currently total \$248,894 for a cost per worker trained of \$709, or a cost per business of \$2,146. Training has occurred for small businesses in the following categories: Computer, Cabinetry/Carpentry, Automotive/Diesel, Retail, Healthcare, Veterinary Services, Transportation, Financial/Mortgage, Plumbing, Electrical, Concrete Fabrication, Claims, Broadcasting, Landscape/Weed Control, Recycle, name a few. The program continues to provide access and funding for training services to small businesses with fewer than 20 employees.

The program targets those who are currently employed with opportunities for career advancement or greater pay once training is completed. Any small business with fewer than 20 full time employees has the opportunity to apply for training funds. Small businesses that provide economic opportunities and high demand occupations apply for funding through an established application process.

The application is reviewed in conjunction with the local Business Expansion And Retention (BEAR) team and the Local Job Service Workforce Center. Approval typically occurs within 30 days and is based on available funding and the potential impact of the training. The BEAR team, in conjunction with the Local Job Service Office, follows-up through visits to the business to determine the impact of the training on the business and the local economy. As information from these visits becomes available it will become part of the performance record. Due to confidentiality issues the actual names of the businesses are not released since sensitive and proprietary information is discussed during the application and follow-up reviews.

LFD Narrative:

LFD ASSESSMENT: On Track

DATA RELEVANCE: Yes

APPROPRIATION STATUS: Appropriation and expenditure data were provided.

COMMENTS/ISSUES: The program has met those performance measurements which were included this biennium. The workgroup may wish to discuss if DOLI will be including this program in the 2011 budget and expanding it to other areas of the state beyond the Billings area which was the location of the pilot project

OPTIONS: Upgrade or downgrade the rating - options for workgroup in relation to the rating are No further review or Progress Report Requested



Version	Date	Author
	9/24/2008	

Change Description